MEMBER SWORN.

Mr. E. I. Mathew, Director of Registration, was sworn in.

CONSIDERATION OF THE REPORT ON THE AUDIT AND APPROPRIATION OF THE ACCOUNTS OF 1109.

Mr. R. Nilakanta Pillai: Sir, I move that the report of the Public Accounts Committee on the Audit and Appropriation Accounts of 1109 be taken up for consideration.

Mr. M. N. Parameswaran Pillai: Sir, at the time of the discussion of the annual budget, we generally contemplate the future equilibrium, explore the financial horizon and endeavour to discover the best way to care for works of public utility. The budget always anticipates the public revenues and authorises the expenditure. It outlines the way of the execution of the financial policy; whereas the Public Accounts Committee ascertains whether this road has been strictly followed. At this second examination which the same budget must undergo before our eyes after its execution, the actual facts are confronted with the promises. The last two reports of the Public Accounts Committee relating to the years 1108 and 1109 reveal to us that there had been numerous financial irregularities. They also make it abundantly clear that our Financial Department is hopelessly inefficient in the task of correct and accurate budgeting. In several cases we find that the expenditure under voted heads have exceeded the final grants A perusal of pages 48 to 51 of the Audit and Appropriation Report for 1109 shows that there was a saving to the extent of Rs. 23·40 lakhs in the final grants made for the various departments such as Industries, Medical, Public Health, P. W. D., including Protective Irrigation, Forest, Agriculture and Fisheries and such other departments. Is this not a clear indication that our Finance Department is quite unable to forecast correctly the needs of the several departments? Such inaccuracy and shortsightedness on the part of the Finance Department in the matter of framing the budget and the irregular way in which the grants under the various heads are expended, lead to very serious results. As a natural consequence of such budgeting, we often find that the legitimate activities of some of the important departments are allowed to be neglected or impoverished or deliberately contracted just to gain funds for the extravagant expenditure of Government in very many other ways.

Sir, it certainly reflects badly on our Finance Department that it should have moved for supplementary grants even in cases where

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the expenditure was not only within the original voted grants but where there were big savings as compared with the original grants. To make such supplementation of unnecessary grants when the expenditure had fallen short of original provisions is a highly objectionable financial policy.

Mr. R. Nilakanta Pillai : May I ask the member whether it is the Account Department that is moving for such supplementary grants ?

Mr. M. N. Paramesvaran Pillai: I think every demand is scrutinised and passed by the Account Department before it is placed before this House.

Another feature which is disclosed by the Public Accounts Committee's report is that Government have met enormous expenditure under Section 32 of the Regulation. No doubt, Section 32 gives power to the Dewan in cases of emergency to authorise such expenditure as may, in the opinion of Government, be necessary. I can fully understand the need for giving such reserve powers to Government, but to invoke the aid of the Section for all manner of expenditure is certainly setting at naught the prerogative of this House to control as well as to vote on the grants. If we compare the statements published at pages 31 to 37 of the Audit and Appropriation Report for 1109, we will find that the additional grants sanctioned under Section 32 amounted to four times the supplementary grants voted by this Council. A further examination of the various items, altogether 81 in number, made under Section 32 will also reveal to us that most of the items could have been anticipated or foreseen at the time of the original budget. For instance, the following expenditure, *viz.*, (1) Rs. 61,295 sanctioned for opening a new road from the Trivandrum-Shencotta road to the Golf Links and for the widening of the Trivandrum-Shencotta road up to the Salvation Army Junction; (2) Rs. 10,850 for metalling miles 42-44 of the Trivandrum-Quilon road, (3) Rs. 10,270 for treating with Shelmac the portion of the Main Road between the School of Arts and the Post Office, Trivandrum, (4) Rs. 26,720 for the work of providing additional accommodation for the major carnivora in the Zoo and for constructing an aviary, and (5) Rs. 32,000 for the conversion of the Mascot Bungalow into a hotel and for running the same departmentally could never be said to be emergent as to invoke the extraordinary powers under Section 32. These and almost all the other items mentioned in the statement could very well have been anticipated in the budget or at least the vote of the Council could have been obtained by means of supplementary grants. In these matters the Government should at least have taken the Finance Committee into their confidence. Last year, the Dewan made a solemn assurance that "*in future*

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[Mr. M. N. Parameswaran Pillai]

whenever it became necessary to spend money which was not included in the budget, the matter would be placed before the Finance Committee except in very emergent cases when such a procedure would not be feasible." The present report shows that the Dewan had no idea to keep up his promise.

Similarly, the statement given at pages 38 and 39 of the Audit and Appropriation Report for 1109 shows that a sum of Rs. 12·27 lakhs was also sanctioned by Government as supplementary grant under non-voted heads. When such is the kind of financial policy that our Government are following, how can we have any serious budgetary estimate? With such a tide of additional expenditure running high, all foresight fails and our financial control becomes thoroughly ineffective. Such expenditure often upsets the budget equilibrium.

The fall in the receipts from the Cochin Harbour is explained as being due to the fact that the duty realised from Jaffna tobacco issued from the tobacco bankshalls at Alleppey and Quilon during the two official years ended with the 31st March 1932 and 1933 had to be surrendered for the tripartite division under the Cochin Harbour agreement. So far as the affairs relating to the Cochin Harbour are concerned, I do not know why our Government should feel so very nervous. Why should they not take us into their full confidence instead of keeping us in ignorance of the details. At every stage we now meet only with defeat. The recent disclosures by the new Dewan of the sister State of Cochin make us believe that there could be no objection in keeping the people also informed of the details of the scheme. It is indeed an unpardonable crime to continue this policy till the whole case is lost for want of proper advocacy and effective public agitation. So far as Jaffna tobacco is concerned, it has been settled, after lengthy correspondence with the Government of India, that the duty that we levy is only an excise duty and not a customs duty. That being so, the other partners in the transaction have absolutely no right to claim this amount also to be brought into the common pool. If it is purely a question of might is right and nothing more, then our Government should see that, in future, Jaffna tobacco is imported into the State only through the newly opened bankshalls at Trivandrum and Colachel.

In the report under review we find a conscious or sub-conscious admission by the head of the administration and by some of the

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heads of departments that the numerous defalcations and misappropriations are due to the fact that men of character are seldom preferred in public service. Referring to the cases of misappropriations in the Land Revenue Department, the Dewan observed :—

> "*In this State, there was no guarantee for the moral character of the men, and they had no fear that they would lose any rights. That was the cause of misappropriation.*"

The Anchal Superintendent who gave evidence before the Committee has distinctly pointed out, "*that only men of character, integrity and good antecedents should be recruited as Anchal Inspectors, Anchal Masters and Head Accountants, since these men had to be responsible for large sums of money.*"

It has been a standing complaint against our Government that they do not select the right type of men for the service. Kinship, sycophancy and nepotism are the main considerations or qualifications which count in the matter of appointments in public service. There is also another reason for the increasing number of defalcations and misappropriations. Whenever such cases are detected or brought to light, Government do not mete out adequate and exemplary punishments. We find that punishments very often vary according to the extent of influence the individual guilty of the charges is able to wield with the authorities. In some cases, the offenders are deliberately screened. I know of instances where the Government have not cared to investigate into the serious charges of corruption and financial irregularities levelled against their officers by responsible non-officials. The honourable member for *Kalkulam* cum *Vilavankod* has repeatedly said on the floor of this House that he would prove corruption against some of the officers in the Judiciary and his challenge seems to have been accepted by the Law Member. No enquiry seems to have been conducted even though the honourable member who made those charges himself took the trouble to write to the High Court. On account of the colossal indifference of Government, we find corruption and numerous financial irregularities not only in the various departments of Government but also in the municipalities controlled by Government.

The audit system needs thorough overhauling. In the first place, the audit staff should be above influence and corruption. They should never look to the various departmental heads for any favours. The present practice of sending the same set of auditors every year for auditing the accounts of a department should be discontinued, as in such a case there is a greater chance for corruption and suppression of serious financial irregularities,

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Mr. J. John Kattakayam : സർ, ഫൈനാൻസുകമ്മിറ്റി യോടാലോചിക്കാതെ ചിലവുകാം ചെയ്യുകയില്ലെന്ന പബ്ളിക്ക് അ ക്കൌണ്ട്കമ്മിറ്റിയുടെ അദ്ധ്യക്ഷൻ എന്നനിലയിൽ ദിവാൻജി അവർ കാം പ്രസ്താവിച്ചിട്ടുണ്ട്. എന്നാൽ അനിയന്ത്രിതമായ അടിയന്തരചി ലവുകാം വരുമ്പോാം ഫൈനാൻസുകമ്മിറ്റിയോട് ആലോചിക്കുന്നതിന സമയം കിട്ടാതെ വരികയാണെങ്കിൽ സെക്ഷൻ 72 അനുസരിച്ച പ ണം ചിലവുചെയ്യുമെന്നാം അല്ലോ അന്ന പറയുകയുണ്ടായി എന്നുള്ളതു കൂടി ഞാൻ ഈ അവസരത്തിൽ പ്രസ്താവിച്ചുകൊള്ളട്ടെ. റിപ്പോർട്ടിൽ കാണുന്ന പല ചിലവുകളും ഫിനാൻസുകമ്മിറ്റിയുമായി ആലോചിച്ച നടത്താവുന്നതായിരിക്കെ അങ്ങനെ ചെയ്യാതെ ഫിനാൻസുകമ്മിറ്റി യെ അവഗണിച്ചതു് ഈ ജനപ്രതിനിധി സഭയെതന്നെ അനാദരിക്കുക യാണു ചെയ്തതെന്നു ഞാൻ വിചാരിക്കുന്നു. ബ്രിട്ടീഷ്ഇൻഡ്യയിൽ ഇ തിനെ സംബന്ധിച്ച നിയമമുണ്ടെന്നുള്ള സംഗതിയും ഈ അവസരത്തിൽ വിസ്മരിക്കത്തക്കതല്ല.

Mr. R. Nilakanta Pillai : ബ്രിട്ടീഷ്ഇൻഡ്യയിലെ നിയമം എന്താണ്?

Mr. J. John Kattakayam : അതു ഞാൻ അടുത്ത പ്രാവ ശ്യം വരുമ്പോാം മെമ്പറെ വായിച്ചുകേൾപ്പിക്കാം.

Mr. E. P. Varghese : ഏതു ഭാഷയിലാണ് ആ നിയമം എ ഴുതിയിട്ടുള്ളതു്?.

Mr. J. John Kattakayam : അവിടത്തെ ഭാഷ വായിക്കണ മെങ്കിൽ എനിക്കു അതിനു പ്രത്യേകം കണ്ണാടി വേണം. ബ്രിട്ടീഷ് ഇൻ ഡ്യയിലെ ഭാഷ തമിഴോ മറേറാ ആയിരിക്കുമെന്നാണു് എനിക്കു തോ ന്നുന്നതു്.

ജനപ്രതിനിധി സഭകാം സ്ഥാപിച്ചിട്ടുള്ളതിന്റെ ഉദ്ദേശം അവ ങ്ങമായി ആലോചിച്ച കാര്യങ്ങാം നടത്തണമെന്നുള്ളതാകുന്നു. ആ ത ത്വത്തിൽനിന്നും വ്യതിചലിച്ചുള്ള ഒരു പ്രവർത്തനമാകുന്നു ഇപ്പോാം ഇ വിടെ നടന്നുകൊണ്ടിരിക്കുന്നതു്. കഴിഞ്ഞ കൊല്ലത്തിൽ നടത്തിയ അടിയന്തരചിലവുകാം എന്താണെന്നു നമുക്കൊന്നു നോക്കാം. അധിക വും റോഡുകളും കടത്തുകളുമുണ്ടാക്കുവാനാണു ചിലവുചെയ്തിട്ടുള്ളതു്. നെയ്യാറിൻകരയോ തൊടുപുഴയോ അല്ലെങ്കിൽ ദക്ഷിണതിരുവിതാംകൂ റിലൊ മലമ്പനി, കാളറാ മുതലായ രോഗങ്ങാം ബാധിച്ച ജനങ്ങാംക്ക

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സഞ്ചരിക്കുന്നതിനും മറും നിവൃത്തിയില്ലാതെ വിഷമിക്കുന്നതുകൊണ്ടു താഴ്ന്നസ്ഥലങ്ങളിൽ പുതുതായി റോഡുകളും കടത്തുകളുമുണ്ടാക്കിയെന്നു പറയുന്നപക്ഷം അതു സമ്മതിക്കാമായിരുന്നു. പിന്നെയുള്ളതു വിമാനത്താവളവും മറുമാണ്. കഴിഞ്ഞകൊല്ലത്തിലെ അടിയന്തരചിലവുകൾ അങ്ങനെ ഉള്ളവയല്ല. ഡിപ്പാർട്ടുമെൻറു മേധാവികൾ കൂടുതൽ ചിലവുകളുണ്ടെന്നും പണം വേണമെന്നും ആവശ്യപ്പെട്ടപ്പോൾ അതു അടുത്ത ബഡ്ജറുകാലംവരെ നിറുത്തിവയ്ക്കാമോ എന്നു നോക്കുമെന്നും നിവൃത്തിയില്ലെന്നു കാണുമ്പോൾ മാത്രമെ സപ്ലിമെൻററി ഗ്രാൻറുകൊണ്ടുവരികയുള്ളുവെന്നുമാണു ചീഫ്സെക്രട്ടറി ലോവർഹൌസിൽ പറഞ്ഞതു്. പല ഡിപ്പാർട്ടുമെൻറുകളിലും ബഡ്ജറിൽ അനുവദിച്ചിട്ടുള്ളതുക ലാപ്സായി പോകുന്നുണ്ടു്. അതേ സമയത്തുതന്നെ സപ്ലിമെൻററിഗ്രാൻറും കൊണ്ടുവരുന്നുണ്ടു്. ബഡ്ജറു് തയ്യാറാക്കുന്ന കാലത്തു ഡിപ്പാർട്ടുമെൻറു മേധാവികൾ നല്ലവണ്ണം ആലോചിച്ചിരുന്നുവെങ്കിൽ ആവശ്യമുള്ള പണം ബഡ്ജറിൽ ചേർക്കയും, സപ്ലിമെൻററി ഗ്രാൻറുകൊണ്ടുവന്നു ഇതു സഭയുടെ വിലയേറിയ സമയത്തെ ഒഴിവിനിയോഗം ചെയ്യാതിരിക്കുകയും ചെയ്യുമായിരുന്നു. വിദ്യാഭ്യാസ ഡിപ്പാർട്ടുമെൻറിൽ ഒന്നു, ൦൦൦ രൂപാ ലാപ്സായി. അതേകൊല്ലത്തുതന്നെ ൨, ൦൦൦ രൂപയുടെ സപ്ലിമെൻററിഗ്രാൻറും കൊണ്ടുവന്നു. ഇങ്ങനെ ഓരോ ഡിപ്പാർട്ടുമെൻറുകളെപ്പററിയും പറയുവാനുണ്ടു്. ഈ തരത്തിലുള്ള ക്രമക്കേടുകൾ വരാതെ മേലാലെങ്കിലും അധികൃതന്മാർ ശ്രദ്ധിച്ചു പ്രവൃത്തിക്കണമെന്നു ഞാൻ അഭിപ്രായപ്പെടുന്നു.

Mr. E. P. Varghese : മെമ്പർ പബ്ലിക്കു് അക്കൌണ്ടു്സ് കമ്മിററിയിൽ ഇല്ലായിരുന്നോ?.

Mr. J. John Kattakayam : ഈ സഭയിൽനിന്നുമാണു് എന്നെ ഇലക്ടുചെയ്തയച്ചതു്. ആ സ്ഥിതിക്കു മെമ്പറുടെ ഈ ചോദ്യം അസ്ഥാനത്തിലാണു്.

Mr. E. P. Varghese : മെമ്പർ ഈ അക്ഷേപങ്ങളെല്ലാം കമ്മററിയിൽത്തന്നെ പുറപ്പെടുവിച്ചിട്ടുണ്ടോ?.

Mr. J. John Kattakayam : ഉണ്ടു്.

Mr. Kochikal P. Balakrishnan Tampi : Is it in order to question another member regrding his conduct in the Finance Committee or in any other committee.

Mr. E. P. Varghese : I may be permitted to say a word of explanation-

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Chairman : It is not in order to cross-examine a member regarding his conduct in the committee.

Mr. J. John Kattakayam. ഇനി എനിക്കു പണാപഹരണത്തെപ്പററിയാണു പറയുവാനുള്ളതു്. പണാപഹരണം വർദ്ധിച്ചുകൊണ്ടാണിരിക്കുന്നതു്. എഡ്യൂക്കേഷൻ ഡിപ്പാർട്ടുമെൻറിലെ പണാപഹരണത്തെ സംബന്ധിച്ചു പബ്ളിക് അക്കൌണ്ടു കമ്മിററിയിൽവെച്ചു ഡയറക്ടർ മി. സി. വി. ചന്ദ്രശേഖരനോടു് ഞാൻ ചില ചോദ്യങ്ങൾ ചോദിച്ചപ്പോൾ ദയവുചെയ്തു മി. ചന്ദ്രശേഖരനോടു് അതിനെപ്പററി ചോദിക്കരുതു് എന്നാണു പ്രസിഡൻറു പറഞ്ഞതു്.

Mr. G. Narayana Aiyar : ഡിപ്പാർട്ടുമെൻറിലെ പണാപഹരണത്തെ സംബന്ധിച്ചു ചോദിച്ചോ, അതല്ലാ ഡയറക്ടരുടെ പണാപഹരണത്തെ സംബന്ധിച്ചു ചോദിച്ചോ?

Mr. J. John Kattakayam : ഡിപ്പാർട്ടുമെൻറിൽ സയൻസ്കാേളജിൽ നടന്ന പണാപഹരണത്തെ സംബന്ധിച്ചാണു ചോദിച്ചതു്.

പണാപഹരണം ഗവണ്മെൻറിൻെറ ദൃഷ്ടിയിൽ കൊണ്ടുവന്നിട്ടും അതിനു് ഇതുവരെ യാതൊരു തീരുമാനവുമുണ്ടായിട്ടില്ല. കഴിഞ്ഞതിൽ മുമ്പിലത്തെ ബഡ്ജററുസമ്മേളനകാലത്തു രണ്ടു നിയമമണ്ഡലങ്ങളിലേയും മെമ്പറന്മാർ ഈ സംഗതിയെ സംബന്ധിച്ചും മറും കഠിനമായി വിമർശിക്കയും മി. ചന്ദ്രശേഖരനെകൊട്ടത്ത ഡിപ്രമോഷൻ പോരാ എന്നഭിപ്രായപ്പെടുകയും ചെയ്തു.

Mr. C. M. Joseph : (*Changanachery* cum *Peermade*): ഏതു മെമ്പറന്മാർ അങ്ങിനെ പറഞ്ഞു?

Mr. J. John Kattakayam : അനേകം മെമ്പറന്മാർ പറഞ്ഞു. കഴിഞ്ഞതവണ ഞാൻ മാത്രമേ പറഞ്ഞുള്ളൂ.

Mr. M. N. Parameswaran Pillai : എന്നിട്ടും ഇന്നത്തെ വിദ്യാഭ്യാസഡയറക്ടർക്കു് ശമ്പളം കുട്ടികൊടുക്കാത്തതെന്തുകൊണ്ടെന്നു മെമ്പർ ചോദിച്ചില്ലേ?

Mr. J. John Kattakayam : ആ ചോദ്യത്തിൽ അന്തർലീനമായ തത്വമെന്താണെന്നു മെമ്പർ മനസിലാക്കിയിരിക്കുമെല്ലോ?

Mr. Tariatu Kunjitomman : അതു് എന്താണെന്നു് മനസിലായില്ല.

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Mr. J. John Kattakayam : മെമ്പർസ്സിലാക്കാൻ താങ്കളിയില്ലെങ്കിൽ മറുപടിപറയുന്നില്ല.

Mr. C. M. Joseph : മി. ചന്ദ്രശേഖരനെ ഡയറക്ടറായി നിയമിച്ചതിൽ മെമ്പർ ഗവണ്മെൻറിനെ അനുമോദിച്ചില്ലേ?

Mr. J. John Kattakayam : അദ്ദേഹത്തെയല്ല അനുമോദിച്ചതു്. എനിക്കു മലയാളമേ അറിയാവു. മാതൃഭാഷാവിദ്യാഭ്യാസത്തെ സംബന്ധിച്ചു ഞാൻ മലയാളത്തിൽ പറഞ്ഞാൽ മനസിലാക്കുന്നതിന് സാധിക്കുന്ന ഒരാളിനെ നിയമിച്ചതിനും ഡിപ്പാർട്ടുമെൻറിൽ ഇതുനു നല്ല തഴക്കവും പഴക്കവും സിദ്ധിച്ചിട്ടുള്ള ഒരു സ്ഥലശിയെ നിയമിച്ചതിനും ഗവണ്മെൻറിനെയാണ് അനുമോദിച്ചതു്.

Mr. M. N. Paramesvaran Pillai : ഇന്നുകാലത്തെ മെമ്പറുടെ ചോദ്യത്തിനു മലയാളം അറിഞ്ഞുകൂടാ എന്നു പറഞ്ഞതായി തെറ്റിദ്ധരിച്ചിരിക്കുന്നുണ്ടോ?

Mr. J. John Kattakayam : ഞാനും അദ്ദേഹവുംകൂടി ധാരാളം സമയം മലയാളത്തിൽ സംസാരിച്ചിട്ടുണ്ടു്. അദ്ദേഹത്തിനു് എതിരെ ഈ സഭയിലെ സകല പ്രവൃത്തികളും വാച്യചെയ്യണമെന്നു ഞാൻ ഗ്രഹമുള്ളതായി മെമ്പർക്കറിയാമോ?

Mr. C. V. Chandrasekharan : Sir, has not the member recommended an increase of pay to the present Director of Public Insturction this morning ?

Mr. J. John Kattakayam : ഡയറക്ടർ തനിക്കു ശമ്പളം കൂടുതൽ നൽകണമെന്നു് ആവശ്യപ്പെട്ടതായി വൃത്താന്തപത്രങ്ങളിൽ പലപ്പോഴും ഞാൻ വായിച്ചിട്ടുണ്ടു്. എന്റെ ചോദ്യത്തിനു ന്യായമല്ലാത്ത മറുപടി പറഞ്ഞു. പിന്നീടു് അതിനു അനുരൂപമായ വിധത്തിൽ ഞാൻ ഉപചോദ്യം ചോദിച്ചു എന്നേയുള്ളു.

Chairman : നിങ്ങളുടെ സമയം കഴിഞ്ഞു.

Mr. K. P. Nilakanta Pillai : Sir, I also rise to make a few observations regarding the audit and appropriation accounts of our Government. Within the time-limit it may not be possible for me to fix the exact responsibility upon that individual who is either directly or indirectly responsible for the appropriation of accounts in the State. If I level a charge against the Acount Officer he may say that it is not his function for the audit and appropriation of accounts and if I level a charge against the Chief Secretary he will say that it is the Account Officer's function. That being the case, I must confess that I am not in a position to fix the exact

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Mr. K. P. Nilakanta Pillai.]

person who is responsible for the audit and appropriation of accounts of the country as a whole. I make this preliminary observation simply to avoid a lot of questions from the Account Officer in this respect.

This audit and appropriation report is another Government publication which may be added to the library of our Legislature or to any other library for that matter. Apart from that, I do not find any real use for that. It is common knowledge, that there is no rhyme or reason in the heads of departments making demands for the expenditure of different departments. In the matter of collection and expenditure of revenues no systematic principle is observed. If we read the appropriation report for the years 1932—1933 and 1933—1934 we find a lot of inconsistent statements in both these publications.

Mr. S. Piraviperumal Pillai: Are the figures reliable?

Mr. K. P. Nilakanta Pillai: We have many a time shown that the figures given in the budget are unreliable. The forecast of revenue, the expenditure of the year, the exact collection of revenue, the exact amount of misappropriation by bodies recognised as well as non-recognised, the exact balance in various treasuries in Travancore—all these items we are not in a position to say for certain. Government records may be all right. But my grievance is we cannot rely upon these records at all.

During the Budget Session, I put certain questions regarding the balance in the treasuries of Travancore with reference to the coinage minted in Travancore. I would only invite the attention of the Government to the need to depute an officer to find out what exactly was minted in Travancore and the amount now available in the various treasuries leaving out of consideration the coins in circulation. I am sorry to express that the coinage of Travancore has become a regular menace. We are not able to go to the bazaar with these coins. Every third half rupee is a false coin. Whatever may be the protest levelled against my speech, I may say in very clear language that the coinage is not under proper control. Instead of Government functioning properly, the private bodies are minting silver coins and probably our Government treasuries are full of those false coins.

Mr. M. N. Paramesvaran Pillai: Does it not follow from this that Government have ceased to mint silver coins and the same is entrusted to private agencies?

Mr. K. P. Nilakanta Pillai: Whatever that be there is plenty of false coins in circulation.

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Coming to the expenditure side of the budget, I find the following passages in the audit and appropriation report for 1109:

"The Chairman remarked that it was wrong for the head of the department to say that he had discovered a new item of expenditure so soon after the budget was passed. He must have anticipated the expenditure before the close of the previous year. If, however, it was an item of expenditure which could not have been foreseen at all, then Government might consider the case. As an example he took up the question of the opening of an aerodrome."

With this in view let us see what the several heads of departments have done ever since the budget of 1111 was passed. Hardly four months have elapsed and several heads of departments have come forward with supplementary demands involving big amounts. The Education Department for instance wants to enhance their staff by the addition of a few clerks.

Mr. C. V. Chandrasekharan: Was it not for a new service that a supplementary demand was asked for?

Mr. K. P. Nilakanta Pillai: What is the new service involved I am unable to see. There is only a subtle difference. The Director was working throughout 1110 with some definite staff and all on a sudden after the budget was passed during Chingam current, as if the Director could not anticipate the necessity for additional staff, he now comes forward and says that it is a new service. What he means by new service I am unable to see. After all, it is only half a dozen clerks to do routine work. I am not going to pick up individual after individual who has come forward with a supplementary demand. The heads of departments have a peculiar way of coming before the House for new items.

Mr. S. Piraviperumal Pillai: If it is for a new service is it not enough if the head of the department come with a token demand of one rupee?

Mr. K. P. Nilakanta Pillai: I do not propose to go into details. To illustrate my position, again, there is the Police Commissioner who has come forward with a new service.

Mr. C. V. Chandrasekharan: Does the honourable member realise that he is imputing a censure on the House for having sanctioned this grant?

Mr. K. P. Nilakanta Pillai: If that is meant as equivalent to censure, I do not hesitate for a moment to press it.

The Police Commissioner has come forward with a demand for opening some out-posts all on a sudden in Todupuzha and Muvattupuzha. That is a new service not contemplated during the Budget Session. Scarcely three months have elapsed after Chingam, the departmental head has come forward with a supplementary

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[Mr. K: P. Nilakanta Pillai.]

demand. I cannot see eye to eye with him. What exactly is meant by saying it is a new service I am really at a loss to know. A question like the opening of an aerodrome can be considered as a new service.

Mr. K. George: Is it the member's view that if there are savings in a votable item, that can be utilised for such expenditure or for a new service?

Mr. K. P. Nilakanta Pillai: Certainly not.

Mr. C. V. Chandrasekharan: So, then, is it not necessary for the head of the department to come before the House, even if there are savings in the department, with a supplementary demand?

Mr. K. P. Nilakanta Pillai: For instance, the Director of Public Instruction has come before the House with a demand for Rs. 5,000 in connection with the Scout Movement in Travancore. I cannot understand that it is a new service.

Mr. Kochikal P. Balakrishnan Tampi: Is the member in order to refer to those grants already passed on the floor of the House yesterday?

Mr. K. P. Nilakanta Pillai: I am only taking them as illustrations.

Mr. Kochikal P. Balakrishnan Tampi: But those demands were *passed* on the floor of the House.

Mr. K. P. Nilakanta Pillai: I am not going into the the merits of those demands.

Mr. Kochikal P. Balakrishnan Tampi: Is not the member casting a reflection on the conduct of the House for having passed those demands by referring to them?

Mr M. N. Paramesvaran Pillai: As for that matter, may I submit that all the items in the Public Accounts Committee Report are those passed by this House?

Mr. Kayalam Paramesvaran Pillai: May I know whether the yesterday's demand is in the Public Accounts Committee Report?

Mr. M. N. Paramesvaran Pillai: Sir, may I answer that question?

Mr. S. Piraviperumal Pillai: May I point out whether yesterday's demand will ever come in the Public Accounts Committee Report of this year?

Mr K. P. Nilakanta Pillai: Yesterday's demand is not published in the Public Accounts Committee Report.

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Mr. K. P. Nilakanta Pillai: The point that I am driving at is that there is a sort of irresponsibility on the part of the heads of departments in coming forward with demands for supplementary grants. It is to illustrate that point that I suggested the scout question. I am not entering into the merits of the question. As a matter of fact Rs. 5,000 may be necessary to promote the scout movement in Travancore. On the recommendation of the Director of Public Instruction, Government thought that a reduction of 50 per cent. is necessary. They reduced it to Rs. 2,500. We do not know whether that amount was spent or not. Yet the head of the department is rather very annoyed whether he would get Rs. 5,000 or not.

Mr. M. N. Paramesvaran Pillai: Is the member aware that Rs. 16,000 odd has been given to Pattack & Co., without consulting this House ?

Mr. K. P. Nilakanta Pillai: Many such things may happen. Now the Chairman has made a serious observation. That was meant to be carried out by the heads of departments. Has that advice been taken by the departmental heads? That is the point.

Now it is asked whether referring to those items which are sanctioned is not casting a reflection on the conduct of this House. That again is a novel idea. This is not the first time I serve as a member of the Finance Committee. I was a member even before the reformed Legislature came into being. There was a wholesome principle followed then. If all the non-official members objected to a particular demand the Government did not usually bring it before the House unless it was under unavoidable circumstances. But now items which were objected to by the non-official members of the Finance Committee are brought up here. That is because they have a sort of certainty that whatever item that is brought up here will be passed by the House. But for that attitude these items would not have been brought here.

There is absolutely no responsibility in the matter of making demands, spending them and all that. With reference to the Excise Department, the Appropriaton Report will show that that department had to make a refund of Rs. 2 lakhs or so during the year 1932-1933 on account of the economic depression. As a matter of fact, the budget for the current year will reveal the awful fact that there is something like a deficit of Rs. 8 lakhs and odd to be collected. I must say that there is negligence, negligence in all the departments. There is negligence in the Land Revenue Department in spite of the finding out of defalcations from time to time during the Jamabandi inspection. The Appropriation Report will

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say that it is inevitable. For that matter, the Peishkars and the Tahsildars should examine pakuthy cutcherries very often and find out defalcations. If these things were to go on under consideration of Government for years and years together leaving the irresponsible subordinates of the department in their own way, I do not know where that will end. In that case I do not find there is any use in drawing the income and expenditure on the basis of receipts and expenditure. The particular departmental heads who are responsible for the collection of receipts and meeting the necessary expenditure ought to be more vigilant and responsible to the people and the finance of the State. Sir, with these words I sum up.

Mr. S. Piraviperumal Pillai: Is the member satisfied with the profit and loss account of the Mascot Hotel?

Mr. K P. Nilakanta Pillai: I had tabled a question seeking information about the profit and loss account of the Mascot Hotel. Anybody with a bit of commercial knowledge knows that in preparing the balance sheet the expenditure should be taken into account, the furniture, the wear and tare, the cost of the staff and all these things.

Mr. R. Nilakanta Pillai: May I know whether the Mascot Hotel affair has aynthing to do with the Appropriation Report?

Mr. K. P. Nilakanta Pillai: Even then, because it is a published document the members of this House should know what exactly is the working condition of the Mascot Hotel. They include some items as income and some others as expenditure and thus prepare a balance sheet. That shows the most irresponsible way in which statements are furnished by Government. When such statements are made I want the Government to realise the responsibility with which such statements are made.

Mr. Kochikal P. Balakrishnan Tampi: Sir, I rise to express my views that there is nothing intrinsically harmful in the Government coming before this House for a supplementary demand.

Now, we cannot turn round and say that it is wrong to ask for a supplementary demand In fact every elastic, flexible Government, every organic Government, every civilized Government, will have to ask for supplementary demands like that. I do not expect the most pefect Government to be astrological in their powers when they frame their annual budget. Certainly, many items of expenditure which could not have been contemplated at the time of the annual budget will have to be brought in later and there is no thing wrong in that principle. But, if large items of expenditure about which reasonable forecast could have been made are brought in,

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then it will be considered rather irregular and in the nature of an insult to the House. When new items are wanted it is quite logical——

Mr. S. Piraviperumal Pillai: Are there not rules under which supplementary grants can be brought in ?

Mr. Kochikkal P. Balakrishnan Tampi: There are What I say is that they should do that without invoking Section 32 as Mr. Parameswaran Pillai pointed out. I am quite aware that there are statutory provisions to bring in supplementary demands. Yet I couch it in the form of an appeal that they must not take undue advantage of that Section by invoking its aid too often and bringing in items which could have been brought the floor of this House at the time of the presentation of the Budget.

Mr. R. Nilakanta Pillai: Sir, the first objection taken is about the moving of supplementary grants by the heads of departments. Under Rule 77 of the Travancore Legislative Rules, certain circumstances are prescribed under which supplementary demands could be brought forward by official members. The provisions of the Rule have been complied with and the demands have been voted upon by the Assembly and the Council.

Mr. Kochikal P. Balakrishnan Tampi: May I know whether every permissible thing is a commendable thing ?

Mr. R. Nilakanta Pillai: I do not agree to that statement. So far as supplementary grants moved in the year 1109 are concerned, I admit that savings appear under certain departments. Such savings are inevitable, and could not be foreseen at the time the demands were made. Again, even if there be savings, the savings could not be utilised for meeting the expenditure under "new services." If the list of supplementary grants are examined, it would be seen that most of the items relate to "new services"—not contemplated at the time the budget was framed.

Mr. K. P. Nilakanta Pillai stated that there is a lot of difference between the budget grant and the actuals during the year 1109. I would refer the member to page 17 of the Appropriation Report from where it will be seen that there was a lot of unavoidable expenditure to be incurred during the year which could not have been foreseen at the time of the framing of the budget. I would refer him specially to the items like the Pallikettu of Her Highness Karthika Thirunal and the visit of His Excellency the Viceroy,

Mr. S. Piraviperumal Pillai: What about the expenditure given at pages 32 to 37, whether they could not have been anticipated at the time of framing the budget ?

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Mr. R. Nilakanta Pillai: Those relate to expenditure sanctioned under Section 32 of Regulation II of 1108.

Mr. S. Piraviperumal Pillai: Could not the Finance Department or the respective departments anticipate these items at the time of the budget?

Mr. R. Nilakanta Pillai: These iteme of expenditure were considered necessary in the interests of Government or for carrying on the administration of the departments concerned.

Mr. S. Piraviperumal Pillai: Were they all so very emergent?

Mr. R. Nilakanta Pillai: They were considered emergent by the Dewan. Some of the items of expenditure were considered emergent, as they related to the Visit of H. E. the Viceroy and the Pallikettu ceremony.

Then a word about coinage. I can assure the Council that although we might have minted about Rs. 34 lakhs worth of Travancore coins both copper snd silver, our treasuries contain only about Rs. 10 lakhs worth of those coins. So the statement that we have more coins in the Treasury than we have minted is uttterly baseless

Mr. S. Piraviperumal Pillai: What about the currency in the State?

Mr. R. Nilakanta Pillai: There may be counterfeit coins outside the treasuries, but not inside, as all coins are examined before they are received in the treasuries.

Mr. A. N Visvanatha Pillai: ഇവിടെ കള്ളനാണയം അടിക്കാൻ നല്ല വിദഗ്ധന്മാരുള്ളതുകൊണ്ടാണോ ബർമ്മിംഗ്ഹാമിൽനിന്നും നാണയം അടിച്ചുവരുത്തുന്നത്?

Mr. R. Nilakanta Pillai: ഇവിടെ കള്ളനാണയം ചില പ്പോഴെല്ലാം അടിക്കുന്നുണ്ട്. ഇപ്പോൾ വെള്ളിവില കൂടിയിരിക്കുന്നതു കൊണ്ട് മുമ്പിലത്തെപ്പോലെ ഒരുപാടു അടിക്കുന്നില്ല.

Mr. J. John Kattakayam: ഏതു പ്രദേശത്താണ് കള്ളനാണയം അധികം അടിക്കുന്നത്?

Mr. R. Nilakanta Pillai: മെമ്പർ വരുന്ന ഭാഗത്തുനിന്നുമാണ് അധികവും അടിക്കുന്നത്. (ചിരി) അതായതു വടക്കൻതിരുവിതാംകൂറിൽനിന്നുമാണ്.

Mr. J. John Kattakayam: അവിടെ വെള്ളിനാണയംമാത്രമേ അടിക്കുന്നുള്ളോ, നോട്ടും അടിക്കുന്നുണ്ടോ?

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Mr. R. Nilakanta Pillai : മെമ്പക്ക് അതിനെപ്പറ്റി കൂടുതലായി അറിയാമെന്നു ഞാൻ സംശയിക്കുന്നു.

Mr. J. John Kattakayam : അതു കണ്ടുപിടിക്കാൻ മെമ്പക്ക് സാധിച്ചിട്ടുണ്ടോ?

Mr. R. Nilakanta Pillai : പോലീസുകാർ പല കേസുകളും കണ്ടുപിടിച്ചിട്ടുണ്ട്.

Mr. J. John Kattakayam : അതിലേക്ക് സ്പെഷ്യൽസ്റ്റാഫിനെ നിയമിച്ചിട്ടുണ്ടോ?

Mr. R. Nilakanta Pillai : നെ സ്പെ. ഐ. ഡി. ആഫീസരെ നിയമിച്ചിട്ടുണ്ട്.

Mr. J. John Kattakayam : ഇതിനെപ്പറ്റി അന്വേഷണം നടത്താൻ ലോക്കൽ പോലീസ് ഇൻസ്പെക്ടരോട് ആവശ്യപ്പെട്ടിട്ടുണ്ടെന്നു മെമ്പക്കറിയാമോ?

Mr. R. Nilakanta Pillai : അറിഞ്ഞുകൂടാ.

Mr. J. John Kattakayam : എന്നാൽ അങ്ങിനെ ആവശ്യപ്പെട്ടിട്ടുണ്ടെന്നു ഞാൻ മെമ്പറെ അറിയിച്ചുകൊള്ളുന്നു.

Mr. R. Nilakanta Pillai: Then Mr. K. P. Nilakanta Pillai said that the Audit and Appropriation Report does not serve any useful purpose. But he has now quoted a number of instances of misappropriations in the Land Revenue and Anchal Departments. But for the Audit and Appropriation Report, it would not have been possible for him to quote these cases.

Mr. K. P. Nilakanta Pillai: I am not sorry for the report but I am sorry for the things which are left out of the report.

Mr. R. Nilakanta Pillai: If the member would compare the Appropriation Report of 1108 with that of 1109, he will find that considerable improvements have been effected.

Mr. K. P. Nilakanta Pillai: Is it towards misappropriation ?

Mr. R. Nilakanta Pillai : No. It is about the information contained in the report. The Account Department is the watch-dog of the Council and the Assembly and we are doing our level best to see that all matters are brought before the Council and the Assembly.

Mr. M. N. Paramesvaran Pillai spoke about the outside audit staff. I assure the member that the inspection staff will be changed periodically as suggested by him.

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